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# THE JOURNAL

OF

# POLITICAL ECONOMY

*DECEMBER—1899*


## THE CHICAGO TRUST CONFERENCE.

THE Chicago Trust Conference of September 13–16 met in response to a call issued by the Civic Federation. This is an organization designed originally to correct abuses in local politics. Its success in securing the enactment of the civil service act, in establishing the Municipal Voters' League, and in other enterprises connected with the welfare of the city led it to try its powers in dealing with questions of national rather than local significance. Four national conferences have been held under its auspices. The first in 1894, at Chicago, dealt with industrial arbitration; the second in January 1898, at New York City, with primary election reforms; the third in August 1898, at Saratoga, with the foreign policy of the United States; and the latest, just held at Chicago, considered the trust problem in its political, economic and social aspects.

Being thus called by a local political organization, it was questioned whether the conference was not inspired by some partisan motive. By some it was construed as an attempt on the part of shrewd politicians to get the trust out of national politics so that the campaign of next year might be fought on other

lines; others thought it was rather an attempt to sound public sentiment, so as to enable party managers to shape their platforms accordingly. Whatever the motive may have been, it at least did not prevent free discussion, and while individual politicians did not forget their calling when they entered the assembly hall, partisan politics were disbarred, and the managers endeavored to limit the debate to the consideration of the economic problem now so prominently before the public.

To secure an expression of sentiment from all parts of the country the Federation asked the governor of each state and territory to appoint seven delegates. In addition to this quasi-public representation, members of congress, governors, attorneys-general, and various private individuals supposedly interested in the subject, were invited directly by the Federation, while national associations of workingmen and other organizations, such as manufacturers' associations, boards of trade, reform clubs, and universities, were asked to send delegates.

The delegates appointed by the governors constituted about one half of the membership. In some cases—as Texas—they came as a solid body, instructed to maintain the views of the dominant political faction, and confessedly not open to conviction by any argument which the debate might unfold. In other cases the appointments were made with more impartiality, Governor Roosevelt, for instance, choosing not only politicians of each party, but also a labor leader, a merchant, and scholars from the two great universities of the state.

The four hundred delegates who responded to the call were varied enough to satisfy the demand for diversity of sentiment. Coming from thirty states, all sections and almost every class of society were represented. Capitalists, manufacturers, unskilled laborers, trade unionists, grangers, lawyers, professional reformers, skilled mechanics, labor commissioners, single taxers, economists, commercial travelers, and anarchists, all were officially represented through some organization, while the gubernatorial appointees showed every shade of political belief—an assembly whose diversity gave promise of many-sided discussion and

proof of widespread interest in the subject. The trusts them selves were, however, not directly represented. Several corporation lawyers and some others whose interests were allied to trusts were there, but the officers and managers did not appear, although a few had been appointed or invited. This was the only defect in representation.

The call for the conference having been general in terms, no one could predict the character of the assembly. Though the professed purpose was impartial discussion, it was by many styled the "anti-trust" conference, while others thought its leaders would attempt to force an endorsement, rather than a criticism, of consolidation. The press had alternately ridiculed the enterprise and made vague insinuations as to the motives of its promoters. The extreme opponents of the trust were especially suspicious of some sinister design. They feared lest the trusts would again indulge their penchant for buying up everything in sight, and that the conference would itself prove to be the latest purchase of some syndicate. Semi-secret cabals were held to plan against being overwhelmed by a packed house. On the opening days this mutual suspicion was curiously manifest, and it was difficult to arrange for the necessary committee on organization and program. Each scheme for representation on this committee was opposed by some clique which dreaded the dominance of some other faction. How votes should be cast, how many should be on the committee, by whom they should be appointed, were all wrangled over until the compromise of Mr. Cockran was adopted. This provided that each national organization should choose one member of the committee, and that each state should have one representative, to be selected by a joint vote of the delegates from all local organizations within the state, and of the delegates appointed by the governor. Another dispute arose as to the treatment of resolutions, and again it needed Mr. Cockran's influence to check a wrangle which threatened to be interminable. A similar committee was appointed, to which all resolutions were referred and from which none ever emerged.

While the control of the conference was thus vested in its own committee, the program adopted was practically what had been prearranged by the Civic Federation, whose wise selection of speakers deserves much praise. While the dangers of heated partisan discussion were avoided, nearly every shade of belief was given a liberal hearing. As was inevitable in a body composed largely of politicians, much time was wasted in mere buncombe and rhetoric, which contributed neither facts nor argument to the discussion. The shifty finesse of the demagogue attempting to be all things to all men, and the turgid eloquence of the professional orator, with his stock of patriotic properties, were, of course, not lacking, but many of the fifty addresses were able and deserve careful study; some of them merely as showing the viewpoint of various classes, others because of scientific treatment of the subject discussed.

Professor John B. Clark presented the ablest economic discussion, captivating the audience alike by his impartiality and his scholarship. A more extreme wing was represented by George Gunton who delivered a panegyric on centralization, seeming to ignore any possibility of abuses. He showed boldness in presenting views distasteful to many of his auditors, dogmatism in his statements, and eloquence unusual in economic discussion. Striking, too, were the speeches of B. R. Tucker, the anarchist, and T. J. Morgan, a socialist of local reputation, both of whom defended industrial consolidation. Even Chicago prejudice against the term anarchy did not prevent appreciation of the rugged logic which carried the principles of industrial freedom to its extreme limit; in contrast the socialist, with more of the demagogue and less of the philosopher, pushed the claims made for the trust to the logical outcome of a socialist régime where all industry would be operated by one all-embracing public trust.

The radical anti-trust views were best represented by Dudley Wooten, of Texas. Despite the crudity of his views, his speech was enthusiastically received, his "breezy rhetoric," as it was termed by Mr. Cockran, being accepted in place of weightier qualities.

The interest of the conference centered, however, in the addresses of Mr. Bryan and Mr. Cockran. To these alone was given the privilege of unlimited time. The prominence of the men, the possible political significance of their utterances, the expectation of personal tilting, and the reputation for oratory held by each, all gave added importance to their addresses. Mr. Cockran's speech easily outranked all others as an exhibition of oratorical powers. Appearing as a supporter of trusts, he made unexpected concessions to the other side, some of which might, perhaps, logically damage his main position. His address was an advocate's plea, grounded on economic principles, couched in an orator's rhetoric, and tinged, possibly, with a politician's craft. Mr. Bryan made a less striking speech, distinctly inferior to Mr. Cockran's in economic reasoning, and not equal in eloquence to his own best efforts. With much direct appeal to the prejudices of his hearers, he yet was more moderate in his program than many had anticipated. It was, on the whole, a strong, thoughtful plea, but inconsistent in detail, and clearly the expression of an adroit politician rather than a philosopher.

On every point of theory divergence of opinion was to be expected from such a body with different interests and varying degrees of candor. It is impossible even to summarize all these conflicting doctrines, but it may be profitable to consider some of the views more frequently expressed in regard to the chief topics: the nature and origin of trusts, the merits or demerits of the system, the remedy for evils, the interrelation of competition and monopoly, and the attitude of labor towards trusts.

1. *The nature and origin of trusts.*—At the start one is troubled by the absence of any clear definition of the fundamental concept. The printed reports show only one definition of trusts, that of Professor Clark: "Any combination so big as to be menacing." Other speakers did not always have this definition in mind; indeed, in many cases, had no clear concept, but discussed the growing tendency towards consolidation without stopping to consider how large the business must be or what other attributes it needed to be dubbed a trust.

The weight of evidence, however, supported the view that the modern system of large business establishments was the outgrowth of natural industrial evolution. This was necessarily the view of those who advocated trust methods, but it was also advanced by all save one of the professional economists, by the leading labor representatives, and even by some who were avowed anti-trust men. Professor H. C. Adams, the unique dissentient among economists, distinguished between industries like railroads, which would naturally consolidate, and many manufacturing industries, whose recent trusting was caused by abnormal economic or juridical conditions. With him, though less reserved in their statements, were all the more radical wing, who held that trusts were ever the evil product of unnatural conditions. In specifying these conditions many items were mentioned. The most common were the tariff and railroad discrimination. It must, however, be borne in mind that "trust" was used in very different senses by different speakers, and that one who described the trust as originating in some specific condition may not have meant the same thing that the economist attributed to natural evolution.

2. *Is the trust harmful?*— Here again we find a confusion of tongues even greater than the discrepancy of opinions. No one can tell whether a trust is beneficial or not unless he knows what a trust is. No two men can agree as to its merits and defects save as they agree in its definition. Under this one question, then, several are properly included. The fundamental one is whether production on a large scale is of itself advantageous. This may be considered aside from the question of probable coercion of labor, of extortion toward consumers, of corruption of politics. It involves two distinct questions: (1) whether consolidation cheapens production, and (2) whether the accompanying transformation of self-directing artisans, shopkeepers, and petty manufacturers, into employees of a great concern, works ill to society. In this form the question needs to be answered by socialists as well as by individualists. In general there was agreement in answering affirmatively as to cheapened

production, although here again Professor Adams varied the monotony—at least to the extent of intimating that there was a limit to profitable consolidation. Whether this limit was an organization larger or smaller than the modern trust, Professor Adams unfortunately did not state. Whether consolidation in itself degraded mankind was a more mooted question. Some evaded it; some—as Mr. Cockran and Mr. Gunton—boldly declared that large production necessarily and inevitably meant a higher type of man, a fuller degree of liberty; the socialists gave an ambiguous answer, declaring that the laborer was neither harmed by consolidation in itself, nor necessarily benefited by the resulting increase in product; while the popular orator, the small proprietor, the commercial traveler all agreed in declaring that the injury done by turning a man into a cog-wheel far and away outweighed all possible gains from increased production.

Granting that the industrial gain from consolidation outweighs the sacrifice of individuality, the evaluation of trusts involves a second question: Can private ownership be safely trusted with the power which comes from the control of a vast industry? As publicists admit the greater efficiency of a benevolent despotism, yet oppose the granting of absolutism to any individual, so economists may admit the advantages of production on a large scale, yet fear the effect of industrial absolutism. The centering of industry in a few hands may mean only greater power to grind the laborer and to rob the consumer. It is of little avail that production is larger, if the increased gain goes only to swell the capitalist's luxuries. Here, too, diversity of opinion was heard. One held that the industrial advantage was not vitiated by private ownership and control, for "even the capitalist, who from the most sordid motives seeks to raise the rate of interest from 5 per cent. to 6 per cent., must serve his fellows in doing it." This view, which was upheld by Professor Clark and Mr. Cockran, was directly opposed by western radicals, by socialists, by Mr. Bryan and others. These argued that the possession of such great industrial power meant also the possession of political power, which would result in the corruption of

legislatures and the overthrow of democracy. The political objections thus urged were not met frankly by the extreme pro-trust speakers.

One question remains. Granting that consolidation is economically beneficial, and that the force of competition tends to distribute the benefits even against the selfish desires of capitalists; granting that the legitimate use of consolidation is advantageous, are not the abuses and perversions of trusts so common as to require rigid control? Even their defenders admitted some such evils, while their opponents adduced a long catalogue, which it is not necessary to repeat in full. The subjects of most frequent complaint were the watering of stock, the displacement of labor, extortion—especially when aided by the tariff or by railroad discrimination—and corruption.

A significant point in this discussion is that the gist of each speaker's accusation was the injury inflicted by the trust on the peculiar interests of his own class. Those whose interests were allied to capital complained of the financial mismanagement so often found in large corporations; the commercial traveler thought trusts evil because 35,000 of his class were thrown out of employment; the retailer, because he could no longer compete; the agriculturalist, because the price of raw products was low; the consumer of trust goods, because prices were high; the displaced artisan, because new processes were introduced; and the patent lawyer, because invention was discouraged. If it is true that each class is thus injured by the trust, even the Texan vituperation seems not altogether inappropriate. Such a general enemy of mankind may well be called robber, monster, or octopus.

The diversity of accusations, however, raises a suspicion as to their validity. This suspicion is increased on recalling the American proclivity for finding some convenient scape-goat on which any and all evils may be laid. A bank charter, a coinage act, a change in the tariff have in turn been used to explain serious industrial ills, although it was impossible that such far-reaching results should flow from a single source. This tendency

may be fostered by politicians who hope to unite the unfortunate and disaffected by proclaiming a crusade against a popular bugaboo. The trust — so striking a feature in modern industry — is well suited to serve as the object of such an attack.

Many of the evils charged against trusts are not peculiar to trust organization. Abuses which are common to other forms of enterprise are brought into prominence because of their connection with trust operations. The large scale on which modern business is conducted acts as a magnifier, and popular clamor is excited against trusts because evils are there disclosed which elsewhere exist unseen.

This may be made clear by a hypothetical illustration. It is conceivable that in the case of some commodity ill-suited to American resources a tariff might keep prices above the European level without giving abnormal profits to competing American manufacturers. The high price paid by consumers would merely repay the high cost of production under the wasteful system of small establishments. If a trust should combine these warring factories, and introduce improved methods, the cost would be lowered, but not necessarily the price, since foreign competition — a force which would otherwise compel the monopoly to lower prices — would be barred out by the tariff. In such a case the high profits would be made the basis of an attack on the trust. But the real evil, namely, that consumers are forced to pay a higher price for American goods than the foreign article would bring, existed equally under the old system. Clearly the trust did not cause the evil; it merely profited by it. In a similar way the watering of stock is not an evil peculiar to large corporations. It is only one manifestation of the tendency to swindle gullible investors. To condemn trusts as the cause of this phenomenon would resemble holding the legal-tender law responsible for every "green-goods" swindle. Again, granting that the displacement of labor is an evil, it would be an evil independent of trusts, one that would recur with each new invention, with each improvement introduced by the individual manufacturer. And, finally, corruption, emphasized — perhaps facili-

tated—by the concentration of capital, was surely not unknown in the days of private enterprise.

3. *The remedies suggested.*—The admission that the accusations are exaggerated, and that trusts suffer vicariously for common misdeeds does not at all deny the validity of some of the complaints nor the seriousness of some of the abuses. The practical question then is: What can be done to remedy these evils? The answer to this depends on the position one takes on the question suggested in a preceding paragraph. To one who believes that consolidation is in itself evil, the only remedy is to strike at once at large enterprises; to one dreading the vesting of great power in private hands, the remedy is either more individualistic industry or else more thorough socialism; to one finding the cause in some external condition various specific reforms are desirable.

The simplest program was to destroy or prevent all large aggregations of capital. Some of the methods suggested for carrying out this program were: to prohibit outright corporations with more than a given limited capital; to make each stockholder liable without limitation for all the corporation debts, and thus hinder the consolidation of small capitals; to tax the income, stock, or franchise of corporations, and thus check their growth by limiting their profits.

The criticism of these plans is obvious. Many who cried for extermination failed to state how it could be accomplished. To make stockholders liable without limitation would strike a blow at the chief merit of corporations, and harm society rather than the capitalist. Even Mr. Bryan's more systematic plan lacks definiteness. Regulation by both state and Federal government is an imposing demand, but purely formal. The detail that no licenses should be given corporations exercising or attempting a monopoly is impracticable in view of Mr. Bryan's own statement that there is no real monopoly as yet, and because every business enterprise is an attempt to monopolize some trade or some market. The clearest point in the program of those who would annihilate large corporations is the declaration by

Mr. Bryan that some action is needed and any attempt to legislate reform is preferable to supine inaction. But this proposal is rather an outline for a politician's campaign than an economic policy. The economist would argue that, because a shifting policy is so disastrous, no steps should be taken unless it be shown beyond cavil that beneficial results will follow.

Slightly less drastic than such proposals were those designed to prevent misconduct by the trusts rather than to prevent consolidation. Almost every form of control was suggested, including the direct legislative determination of prices for trusted goods, and of wages for trust employees. The most popular plan, indeed almost the only proposal which met with no direct opposition, was for greater publicity of public accounts, designed to prevent stock-jobbing. Some thought this should be seconded by direct prohibition of stock watering; others, notably Mr. Cockran, thought that mere publicity would be a panacea.

Besides legislation dealing directly with the trusts, there was much emphasis placed on indirect methods of effecting the desired control. The burden of these plans was: destroy the artificial monopoly which law has erected around the trusts, and with the destruction of special privilege much of the evil of trusts will disappear; modify the patent laws so as to lessen or destroy the monopoly of invention; modify the tariff so that trusts may not lurk within its shelter; prevent railroad discrimination, and thus give every competitor equal opportunity. Such changes were widely proposed; while some thought them insufficient, none thought them objectionable.

Another class of proposals recognized that trust evils were merely symptoms of some general complaint. While this or that abuse might, perhaps, be bettered by some local application, a thorough cure could come only from a remedy which went to the root of the evil. To secure such a re-ordering of society, socialism, anarchy, public ownership, single tax, and the referendum were, each in turn, recommended as the one thing needful. Mr. Seymour's paper was one of the most suggestive on this line. Finding an identity between the corrupt practices of

corporations and of individuals, he traced them both to the low moral tone of the business world. Perfectly to solve the trust problem, he held, involved the discovery of some method of raising the moral standard of a race.

4. *The interrelation of competition and monopoly.*—The foregoing discussion has shown the importance of the theory of monopoly to the trust problem. It is true that not all the evils charged to trusts are dependent on monopoly. The dehumanizing effects of centralization would remain were there two competing combinations instead of a single one; the displacement of labor would be almost as great; political corruption might be even greater. But, in general, trusts are criticised because they are held to destroy competition. The critics use trust and monopoly as synonyms; their corrective measures are aimed at the monopolistic features. The discussions in the conference, accordingly, turned much on monopoly, yet there was no general agreement in the use of the term. When Professor Clark declared the evil of monopoly he meant something quite different from that which Mr. Bryan condemned. One speaker would describe monopoly as the antithesis, another as the perfect fruit, of competition. Behind this apparent disagreement there was, however, real unanimity. If a monoply be defined as the power on the part of producers arbitrarily to maintain high prices, all agreed that such power could not wisely be vested in private control. Even Mr. Cockran agreed to this. There was further agreement that any form of governmental favoritism which indirectly gave this power would be as unjustifiable as would the direct enactment of a corporate monopoly. Disagreement arose as to whether, in the absence of such government favoritism, the force of competition was adequate, or whether, in addition to such negative action, government should take positive measures to secure competition. Subordinate to this was the question whether certain government regulations were of such a nature as to establish a monopoly which would not otherwise exist. Thus, while all agreed that government favoritism was unjustifiable, it might be debated whether a given tariff law really gave monopoly powers to an American trust.

As shown above there was much agreement that in order to prevent such an artificial monopoly some changes should be made in the tariff and patent laws, and railroad discrimination should be prevented. Both Professor Clark and Mr. Cockran argued that natural competition would prevent extortion. Perhaps, after all, this is the crucial point of the whole conference: whether in a free market the force of competition is adequate to prevent extortion? The radicals generally ignored the power of latent competition. The usurpation of a market by the goods of a single concern was held by them to be tantamount to wholesale robbery of the consumer. Mr. Bryan was emphatic on this point, at the cost of being inconsistent. Even in the more extreme case of a capitalist monopolizing land in a given neighborhood, Mr. Bryan argued that competition would check his greed; how, then, can a manufacturing combination, where there is much less friction in competition, hold undisputed sway over customers? But Mr. Cockran may have erred on the other side. Theoretically-free competition does not exist in actual life. The abstractions of the economist are valuable in making deductions, but there is danger when an unskilled hand applies them as working models in practical politics. As the mechanic does not start his machine and trust to the physicist's abstractions of inertia and persistence of force to keep it moving, so the politician should not trust to the abstraction of free competition to keep society in its course. To say that free competition will prevent extortion would be to beg the question: Does free competition, in any proper sense, exist as between a small producer and a great trust? Latent competition is certainly a mighty force wherewith corporate greed may be kept in check; that it is ever-present and all-sufficient needs to be demonstrated. Professor Clark, though a professional economist, was at once more philosophical and more practical. He recognized that something more was needed to secure the benefits of competition than the mere repeal of legislative privileges. The power of the corporation itself might create privileges almost as potent as a governmental patent. The repeal of objectionable tariff measures and the cure of rail-

road discrimination are in the line of securing greater freedom of competition, but are insufficient if the action of the corporations themselves can effectually destroy rivals. Hence Professor Clark urges the need of preventing trusts from killing off competition by showing discrimination against certain rivals. Uniform prices should be required of all corporations equally with uniform rates in transportation. Perhaps the realization of such a program would be a difficult task, but the recognition of the evil is at least an advantage.

While several speakers emphasized latent competition by possible producers, only one speaker, and he the representative of a labor union, brought out the competition of substitution. Mr. Garland said:

> There is not an article produced in these modern times but there are, or can be adopted, several substitutes for it; and the cost as a rule will not vary enough to permit any greater or long lasting extremity to our needs.

The importance of this is great. Even a city gas company, which can have no direct rival, is constantly restrained by such competition. In such a case there is no chance, should prices go too high, for rival capital to come into the field and build a new plant; that is prevented by the exclusive franchise. But the ever-present competition of oil and electricity set a very definite limit to the extortion of the gas company. Similarly, natural and artificial gas, oil, wood, soft coal (raw and coked) briquettes, even corn and twisted hay act as a bar to the extreme extortion which might otherwise be practiced by a monopoly of anthracite-coal barons. It is true this form of competition may at times be insignificant; but to speak of trusts as being able to establish prices on their own terms is oratorical hyperbole. Linseed oil, sugar, glucose, whisky, cordage, strawboard, biscuits, cereal preparations, beer, all trusted products have substitutes whose competition can be met only by keeping down prices. It is surprising that the conference paid so little attention to this phase of competition.

5. *The relation of trusts to labor.*—The debates of the conference are more significant on this point than on any other. The

aggressions of the trust on the rights of the laborer and the lowering effect on wages make fine subjects for public harangues, and the politicians of the conference used them freely. The starving employee is an excellent bit of oratorical property not to be slighted by any stump speaker. But it is a significant fact that it was not the laborer who was the most bitter complainant. The small producer and the traveling man were the extremists. To be sure, the representative of the Knights of Labor could not well be exceeded in virulence, but the trade unionists all spoke with moderation. Mr. Gompers said that wages were continually rising, and that trusts will increase; Mr. Garland conceded that trusts may have some advantages to the workman; Mr. White, in a paper which for impartiality and clear reasoning was scarcely surpassed in the conference, claimed no friendship for the trusts, and hinted at probable abuses, but indulged in no general denunciation. Mr. Morgan, of course, took the socialistic attitude of encouraging trusts as a step towards socialism.

The more bitter foes of the trusts intimated that organized labor was not altogether disinterested in holding these conservative views. Trade unions were accused of having leagued with capital to form a more gigantic trust for the joint spoliation of the consumer; they had been bribed by high wages to become a party to a conspiracy against their fellow-workmen and against society. In support of this view it was urged that the rate of wages would be immaterial to such a combination, since a monopoly could always recoup itself by increasing the price of its products. Granting this, though the force of substitutional competition denies it, it is difficult to see why an unrestrained power to raise prices should wait on higher wages, or why additional profits are not as much sought for at the expense of labor as at that of the consumers. Whatever the price, higher wages mean, *ceteris paribus*, lower profits. The only way in which juggling with prices could affect the problem is on the assumption that the monopoly has some maximum rate of gain, beyond which it is not desirous to go. But this is an hypothesis which the critic of monopoly would hardly accept.

Another explanation of the attitude of organized labor is more reasonable. While it is true that disinterested students of social and economic problems have recognized and criticised the dangerous tendencies of modern centralization, yet it is the small manufacturer who has constituted the backbone of at least the popular attack on trusts. Others whose interests have been injured have joined in the campaign, and politicians, for one reason or another, have espoused the cause. But it is the small producer, whose business has been destroyed by fair means or foul, who supplies the virulence of the attack. The general public has been asked to come to the support of the small proprietor, whom the octopus threatens to swallow. Now, in this conflict the laborer is not primarily interested. Complaints enough he has against the employing class, but he sees that the small proprietor, equally with the trust, is an employer of labor; and he does not see that it is incumbent on him to fight one employer for the benefit of another. Recognizing that the centralization of industry gives a few men dangerous power which may be used to oppress the laborer, he also sees that the power may result in immensely better conditions for labor. The sufferings under the régime of small proprietorship by no means lead labor to champion the old as against the new system, which at least offers hope of some benefit through higher wages and lower prices. Being thus neutral in the fight between the small proprietor and the trust, the labor-leader sees both the merits and the dangers of consolidated industry. In the Chicago conference the labor-leaders ranked next to the professional economists in the disinterestedness of their position.

Both enemies and friends of the trust made strenuous efforts to secure the active support of the labor class. On one side a picture was shown of the oppression of the wage-earner which would follow when the trusts gained absolute power; and rhetorical appeals were made to the laborer's prejudices against the employing class. One who would make a popular appeal in favor of trusts has a more difficult rôle. It is hard to awaken sympathy or excite enthusiasm for the wealthy capitalist. To

offset this handicap seemed to be part of the policy of Mr. Cockran. His extreme courtesy to the labor representatives, as shown by two motions to grant them unusual privileges on the floor, his compliments to their wisdom and economic learning, his eloquent eulogy of labor, the consultations reported to have been held with the labor delegates, and their expressed hope "that he might be able to do something" for them—all these would seem to indicate that behind the economic discussion, the fervor, and the eloquence there was an undercurrent of shrewd political policy. If this political foresight was apparent in the case of Mr. Cockran, it without doubt was present with many another. Politics could not be entirely kept out, even by the diligence of the management, and to some extent the conference was less valuable because of this element of finesse.

Perhaps one of the most gratifying features of the conference was the deference paid to acknowledged economic principles and the respect accorded to professional economists. Since the days when Webster vented his scorn of all economists "from Adam Smith to Professor Dew" it has been customary for politicians to treat them, at least, with complacent disdain. The economist has not been looked up to with any marked respect, as the laws of the last forty years witness. Little of this spirit appeared in the conference. In one instance a western politician declared that the academic element never was friendly to practical freedom. The only other instance (save some remarks made in an irrelevant discussion of the tariff) came, strangely enough, from one who is himself an eminent economist, and was an insinuation of professional venality. The conference, composed largely of practical politicians, listened to the seven economists on the program with more than average attention, and press and public alike recognized that the impractical theorist had a message of real import. It was evident to many that neither the scheming politician, nor the unbalanced enthusiast, nor the unfortunate victim of industrial changes was the best judge of conditions, nor the wisest guide for legislation. The calm, measured, disinterested

propositions of the professional economist appeared all the better for the background. No speaker created a better impression on the public than did Professor Clark.

Nor was the courtesy shown economists the only gratifying sign. Despite much wild talking there was evidence that many of the speakers had made careful study of the underlying principles. That any politician, speaking on a subject of so many emotional phases, could appeal to economic reasoning rather than to passion is encouraging. Mr. Cockran's speech is a good example of this. His skill as a politician, his power as an orator are well known, yet he did not merely appeal to prejudices, nor rely solely on the spell of his eloquence. Without agreeing to all his propositions, one must admit that his argument was based on economic principles, and that it could have been made only by one who was a student as well as a brilliant orator. The leavening of the body politic with economic doctrine at times seems hopeless. The members of the academic circle are too often unfitted by their training and disposition to make popular appeals, and they are often disheartened by having their logic put to rout in the arena by the clever sophisms of some master speaker. To find an orator such as Mr. Cockran dealing in economic wares is a more hopeful sign than even the fact that a dozen economists sat in a public convention. It perhaps presages a closer union of politics and economics, a bridging of the chasm which has separated the academy from the forum.

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